



Tasmania

DEPARTMENT of HEALTH
and HUMAN SERVICES

Office of the Secretary

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Mr Andrew Reeves
Commissioner
Government Prices Oversight Commission
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Dear Mr Reeves

Metro Fares Investigation

Thank you for the opportunity to comment on the Investigation of Metro Pricing Policies Issues Paper.

It appears that Government has two major responsibilities in relation to public transport - to ensure that services are available to meet community needs, and to ensure services are affordable.

The Draft Report notes that lower socio economic suburbs with above average bus use generally have a high proportion of public housing. It further notes that lower income commuters are the substantial users of bus services. I am concerned that options for increases in current fares may seriously disadvantage low-income earners. Disadvantaged customer groups who access concession fares, and who may be solely reliant on public transport to access health and community services, would be further disadvantaged by a reduction in services and/or fare increases.

The proportion of the population per capita utilising Metro services in Tasmania is one of the lowest ratios in Australia. However utilisation by residents of low socio economic suburbs continues to be high. Given that many housing estates are in outlying suburbs, and that bus usage by people living in public housing estates is high, any fare increase based on distance travelled would cause undue hardship and seriously restrict an ability by residents of these areas to access essential services.

While increases for concession fares are not effected by distance, an increase for Seniors and concession card holders, relative to their income base, will result in hardship and may also restrict their ability to access required services.

It is considered that any fare increases should as far as possible remain linked to CPI. Fare structures should ensure concession, child and student fares remain affordable

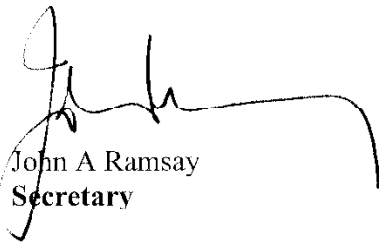
The Department has a number of special needs client groups that are dependent on the public transport system to access essential Government services (Refer attachment for further details). A high proportion of special needs client groups of this Agency are likely to experience lower socio economic status, reside in broadacre housing estates, require ongoing access to support and crises services and be reliant on public transport to travel to places of employment and essential services.

The high number of special needs groups accessing Health and Human Services, together with the need to increase efficiency of service as a result of changes to Commonwealth funding agreements and social and economic reform, will increase the number of our disadvantaged clients who are reliant on public transport.

The changing nature of the Tasmanian population indicates that there will be an increasing demand from the special needs groups for public transport. It is essential that the community service obligations of the government are properly defined to ensure that services are provided in a competitive environment and meet the community's needs and expectations.

I hope these comments prove useful in concluding your investigation.

Yours sincerely



John A Ramsay
Secretary

27 March 2000

Special needs groups

The Department of Health and Human Services (DHHS) provides a range of essential services for disadvantaged client groups. Continuing high unemployment levels, the projected increase in the aged population, possible changes to Commonwealth income support, and the need to provide essential services within budget limits, may well lead to an increased usage of public transport.

Young people not in employment

The Department provides extensive emergency accommodation, housing and case support services for young homeless people. Changes to the Newstart allowance and Austudy are increasingly restricting expendable income for this group and in turn restrict transport options. As more young people are now dependant on financial support from their families and/or on limited income it can be presumed that the number of young people experiencing episodes of crisis will increase and that the demand for essential services including public transport will increase correspondingly.

The elderly

The projected increase in the aged population in Tasmania may substantially increase dependency on public transport by this client group to access essential health and community services.

The unemployed

The continuing high unemployment rate in Tasmania places high demands on essential Government services. The high incidence of unemployment in public housing estates in outer suburbs results in high reliance on public transport. Any increase based on distance will seriously disadvantage this client group's access to services provided by this Agency.

Families of Children requiring crisis support

Families experiencing episodes of crisis and/or who require ongoing intensive family support are more likely to reside in housing estates, have lower socio economic status than the norm, be sole parent families, experience higher levels of unemployment and be less likely to have access to alternative transport options. Any proposed fare increases and/or reduction in services will directly disadvantage these clients.

People with a disability

The majority of people with a physical or intellectual disability extensively use public transport as their disability prevents them from obtaining a driving licence. Rationalisation of services for people with a disability, including the introduction of fee-for-service in the Home and Community Care Program, impact on this client group's dependency on public transport. The vast majority of this client group tends to reside in outer suburbs and are dependent on Commonwealth income support. Community integration of these people has resulted in a need for ongoing access to public transport so that people with a disability are able to travel to day services.

Public health patients

Public health patients requiring emergency and follow up health services who are without independent transport also need access to public transport.

A high number of patients requiring specialised health services, particularly alcohol and drug services, are increasingly reliant on public transport to access services. Many people are unemployed, on Commonwealth benefits and reliant on public transport. Any increase in fares would place undue hardship on this client group.

Rural and remote residents

The absence of adequate transport services seriously disadvantages individuals and families residing in rural and remote areas who do not have independent transport.

People with a mental illness

A high proportion of this client group is totally reliant on public transport. Mental illness restricts the ability to obtain a driving licence. As a result of their illness the vast majority are Commonwealth beneficiaries who require ongoing access to specialised services. A changing focus on retaining clients with a mental illness within the community means that reliance on public transport to access community based services is relatively high. A fare increase would cause additional hardship for this client group.